

August 19, 2011

**VIA ECFS**

Marlene H. Dortch, Esq.  
Secretary  
Office of the Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

Re: *In re Applications of AT&T Inc. and Deutsche Telekom AG for Consent To Assign or Transfer Control of Licenses and Authorizations*, WT Dkt No. 11-65  
**REDACTED - FOR PUBLIC INSPECTION**

Dear Ms. Dortch:

AT&T Inc. and Deutsche Telekom AG enclose herewith a copy of the updated Economic Analysis performed by Professor Carlton and his colleagues. The Economic Analysis remains unchanged from the version previously submitted on July 25, 2011 except for the use of updated inputs from the revised Engineering Model submitted on August 11, 2011.<sup>1</sup> For completeness, the full set of programs and files required to replicate the results of the Economic Analysis are included.

As the results from the Economic Analysis continue to confirm, in each market, the proposed transaction substantially enhances consumer welfare as indicated by increased industry output and lower average quality-adjusted prices.

Pursuant to the Protective Order and Second Protective Order in this proceeding,<sup>2</sup> we are submitting a redacted version of this letter in ECFS. In addition, we are submitting the updated Economic Analysis on CD-ROM. Finally, we are submitting two

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<sup>1</sup> To replicate the change, copy the data in cells E8:L22 of the "SubMC\_All" tab of "110811 MultiYearModelv3.0.xlsm" into cells C7:J21 of the "MC\_Sum" tab of "Tables.xlsx." Then rerun the Matlab program Simulations\Programs\master.m.

<sup>2</sup> *In re Applications of AT&T Inc. and Deutsche Telekom AG for Consent to Assign or Transfer Control of Licenses and Authorizations*, WT Dkt No. 11-65, Protective Order, DA 11-674 (WTB rel. Apr. 14, 2011) ("First Protective Order"); *In re Applications of AT&T Inc. and Deutsche Telekom AG for Consent to Assign or Transfer Control of Licenses and Authorizations*, WT Dkt No. 11-65, Second Protective Order (Revised), DA 11-1100 (WTB rel. June 22, 2011), *modified*, DA 11-1214 (WTB rel. July 19, 2011) ("Second Protective Order").

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copies of the Economic Analysis on CD-ROM to Kathy Harris of the Wireless Telecommunications Bureau staff or her designee.

We will be happy to provide the Commission staff with additional information concerning the enclosed Economic Analysis and assistance in interpreting it. If you have any questions or require further information, please feel free to contact Richard Rosen at 202-942-5499 or richard.rosen@aporter.com, or Nancy Victory at 202-719-7344 or nvictory@wileyrein.com. Thank you for your assistance.

Sincerely,

/s/

Richard L. Rosen  
Counsel for AT&T Inc.

/s/

Nancy J. Victory  
Counsel for Deutsche Telekom AG

cc (via email): Best Copy and Printing, Inc.  
Kathy Harris, Esq.  
Ms. Kate Matraves  
Jim Bird, Esq.

**The CD-ROM containing the Economic Analysis has  
been redacted.**